



USAID
FROM THE AMERICAN PEOPLE



Supporting Peace through Natural Resource Management in Burma's Ethnic Regions (P-NRM)

Cooperative Agreement No. AID-486-A-13-00003

Year 1 2nd Quarterly Report

Period covered: July-September 2013

Reporting date: October 30, 2013

Submitted by: Mercy Corps in partnership with Ar Yone Oo (AYO) and Karuna Myanmar Social Services (KMSS)

Mercy Corps Myanmar:

Jenny Vaughan, Program Director
No. 87-C Kan Street (U Kun Zaw Avenue)
10 Ward, Hlaing Township
Yangon, Myanmar
Tel: +95 (0)1 524419
Mobile: +95 (0) 95083126
Email: jvaughan@mm.mercycorps.org

Mercy Corps Headquarters

Tammy Teske, Senior Program Officer
45 SW Ankeny Street
Portland, OR 97204
Tel: 503 896 5000
Email: tteske@mercycorps.org

I. Introduction

In May 2013, Mercy Corps launched a new peacebuilding program in Burma called *Supporting Peace through Natural Resource Management in Burma's Ethnic Regions (P-NRM)*. This two-year program aims to *support Burma's democratic opening by addressing the underlying causes of long-standing ethnic conflicts in Chin and southern Shan states*, with a focus on addressing tensions related to the use and management of natural resources. The program takes a holistic approach to improving state-society relations and resolving resource-related disputes in the target areas by working with local government, civil society, community, and private sector actors to improve communication and coordination between actors involved in natural resource use and management and to strengthen community participation in decisions about the use of natural resources and the role of development in their community. The program aims to realize this through the achievement of three objectives:

- *Objective 1:* Strengthen the ability of key leaders in Chin and southern Shan to work across lines of division to resolve natural resource disputes that are fueling tensions.
- *Objective 2:* Strengthen the capacity of local organizations to implement natural resource projects that support negotiated agreements.
- *Objective 3:* Foster a constituency for peace by building mutually beneficial economic relationships across lines of division.

Implemented in partnership with two local organizations, Ar Yone Oo (AYO) and Karuna Myanmar Social Services (KMSS), the program also has a strong emphasis on building local capacity to implement peacebuilding programs.

II. Milestones

Key milestones achieved by the end of September 2013 include:

Activities	Anticipated Results & Milestones (Outputs)	Status – Qtr 2
Program startup		
Develop messaging strategy	Draft talking points developed by June 2013	Achieved
Kick-off workshop & workplanning with partners	Workshop held with partners by June 2013	Achieved
Finalize subgrant agreement with local partners	Subgrant agreements signed with partners by July 2013	Achieved
Recruit staff	Staff hired by July 2013	Achieved
Open field offices	Field offices opened by August 2013	In process
Objective 1: Strengthen the ability of key leaders in Chin and Southern Shan to work across lines of division to resolve natural resource disputes that are fueling tensions.		
1.1 Establish natural resource leadership councils in Chin and Southern Shan/Selection of participants for dispute resolution training	Conflict assessment report drafted & key issues identified by July 2013	Achieved
	Target townships selected by July 2013	Achieved
	100 participating leaders selected by Sept 2013	In process
1.2 Create natural resource user groups at the community level	8 community natural resource councils selected by Sept 2013	In process
1.3 Conduct natural resource conflict assessments in priority areas	2 maps produced by Dec 2013	In process
1.4 Conduct dispute resolution training for leadership council members	100 leaders trained in dispute resolution/negotiation by Nov 2013	-
1.5 Host quarterly information exchanges	4 intergroup meetings held by Apr 2014	-
Objective 2: Strengthen the capacity of local organizations to implement natural resource projects that support negotiated agreements.		
2.1 Conduct capacity building for local partners	2 partner OCAs conducted by July 2013	Achieved
	2 partner capacity building plans by July 2013	Achieved
2.2 Implement natural resource/economic projects that support negotiated agreements	Grant system & guidelines developed by Oct 2013	-
	First call for projects released by Oct 2013	-
2.3 Build a coalition of natural resource partners at the national level	National engagement strategy developed by Oct 2013	-
Objective 3: Foster a constituency for peace by building mutually beneficial economic relationships across lines of division.		
3.1 Conduct conflict-market assessments	60 economic actors trained by Nov 2013	-
	Assessment report drafted by April 2014	-
3.2 Support economic initiatives that build bridges across lines of division	Subsidy/voucher system & guidelines developed by Dec 2013	-
3.3 Strengthen economic associations that cross ethnic and regional lines of division	2 economic associations selected by Nov 2013	-
	2 economic association strategic plans developed by April 2014	-

III. Activities

Activities implemented during the July-September 2013 period focused on program startup, actor mapping and conflict mapping, partner capacity assessment and training, and representation and networking.

Program startup: We completed a number of activities critical to program startup, including:

- Signing sub-grant agreements with our partners AYO and KMSS.
- Signing a Memorandum of Understanding with the Forestry Department (Ministry of Environmental Conservation and Forestry).
- Hiring and orienting program staff.

Monitoring & evaluation: In July, we developed a comprehensive monitoring and evaluation plan that includes baseline and endline evaluation activities, ongoing monitoring activities, and assessment work necessary for programmatic decisions during the startup phase. Baseline data collection has been split into several discrete activities, including community focus group discussions, key informant interviews, and surveys of leaders selected to participate in the negotiation training program. Baseline data collection tools have been developed, and data will be collected through December.

Actor mapping & conflict mapping:¹ Assessment is a major priority for us in this early stage of program implementation, critical to learning about the local context and adapting our original program design to current priorities and opportunities. In July, we completed a conflict assessment,² including a desk review and 29 Yangon-based interviews, focused on understanding key types of resource-based conflict in Myanmar and the national factors that influence both resource management and resource conflict. Field assessments conducted in Chin State (August) and Shan State (September) gave us a more detailed understanding of the typology of local resource-based conflicts, existing capacities for preventing and resolving such conflicts, and gaps in the conflict management system. Based upon our findings, we confirmed our selection of Tonzang and Tedim townships as our Chin State target areas, and we revised our township selection in Shan State to focus on Taunggyi, Kalaw, and Hopong townships. Actor mapping and conflict mapping will continue through November.

Leader selection:³ In August and September, we began identifying the leaders we'd like to select to participate in the leadership engagement/negotiation training component of the program. We established selection criteria and developed application and interview forms to ensure a rigorous and transparent process select process. Please see Annex A for a guidance on leader selection. We expect that 100 leaders (50 per state) will be selected by November.

Local partner capacity building: In collaboration with partner staff, we facilitated organizational and conflict management technical capacity assessments of both AYO and KMSS in July. Based upon the results, we jointly developed a capacity building plan for each partner. A number of capacity building sessions were held during the week-long staff orientation in September, including:

¹ This overlaps with Activities 1.1 Establish natural resource leadership councils in Chin and Southern Shan/Selection of participants for dispute resolution training and 1.3 Conduct natural resource conflict assessments in priority areas.

² Reports available upon request.

³ This overlaps with Activities 1.1 Establish natural resource leadership councils in Chin and Southern Shan/Selection of participants for dispute resolution training.

Topic	Mercy Corps	AYO	KMSS	Total N° of Participants
	N° of Participants	N° of Participants	N° of Participants	
Introduction to Conflict and Conflict Management	3	7	7	17
Introduction to Conflict Analysis	3	7	7	17
Risk Management	3	6	6	15
Land conflict, land law and land registration process	3	6	6	15
Peacebuilding and the peace process in Myanmar	3	6	6	15
Responsible business investment	3	6	6	15
Actor Mapping & Conflict Mapping Process & Tools	4	6	6	16
Leadership Selection Process & Tools	3	6	6	15
Introduction to Peacebuilding M&E	5	6	6	17
Facilitation & Mobilization Skills Building	2	6	6	14

Upcoming activities: Activities planned for the next quarter include:

- Baseline data collection. Key deliverables will include a baseline report as well as community profiles, CSO profiles, and a conflict database.
- Leader selection.
- Developing interest-based negotiation training materials and building staff capacity to conduct interest-based negotiation training.
- Conducting interest-based negotiation training for 100 leaders.

IV. Lessons Learned

The program is rapidly evolving as we learn about the local context and identify the most effective entry points for supporting local leaders to manage resource-based conflict. Key findings from our assessment work to date include:

- Private sector development and government development projects are key drivers of conflict between communities and government.
- Civil society leaders do not know how to constructively engage with government. Most civil society actions are focused on advocacy and activism.
- There is limited government awareness of and responsiveness to community concerns.
- While national action will ultimately be required to address land grabs and other resource-based conflicts, local actors are being asked to resolve and are, in some cases, resolving resource-based disputes.
- There is no systematic or comprehensive understanding of the scope and scale of resource-based conflicts in the area. Actors are aware of the disputes that fall under their geographic and thematic purview, but no one is tracking the big picture.
- Local resolution of resource-based disputes is ad hoc, informal, and produces mixed results.
- Shared interests in economic development offer an opportunity promote constructive state-society relations.

Annex A

Inclusive Natural Resource Management Program Leadership Engagement Selection Process

Program Description

Mercy Corps in partnership with Ar Yone Oo (AYO) and Karuna Myanmar Social Services (KMSS) is implementing the two-year *Inclusive Natural Resource Management Program* (INRM) in northern Chin State and southern Shan State. The program aims to support Myanmar's transition by expanding the space for dialogue and consensus-building at the subnational level and supporting local government and civil society leaders to work together to prevent and resolve conflict. The program's thematic focus on natural resources creates a platform for local leaders to engage in practical problem-solving that delivers tangible results while building the trust and collaborative relationships necessary to both democracy and sustainable peace. Key activities include training leaders in interest-based negotiation and dispute resolution, civil society strengthening, and small grants for locally initiated projects that address drivers of conflict.

The INRM program team will work with communities, local government, and civil society actors to identify and select 100 participating leaders (50 per state) through a competitive and transparent selection process. Leaders should include government officials, civil society leaders, ethnic political leaders, religious leaders, and youth leaders. The program will help its participants to develop their leadership skills and negotiation skills, so that they are able to use those in the real life and contribute to peaceful resolution of conflicts at the state, township, and village levels.

Composition of participants

Type of Actor	Examples	Target Numbers
Government leaders	<ul style="list-style-type: none"> • General Administration (state & township level) • Forestry Dept. (state, township, & bead level) • State Land Records Department (SLRD, state & township level) • Agriculture Dept. (state & township level) • Government representatives from Land Management Committee (state, township, & village level) • Government-company liaison 	20 total <ul style="list-style-type: none"> • 5-10 state level • 10-15 township/village level
Civil society & community leaders	<ul style="list-style-type: none"> • CSO/CBO leaders • Youth leaders • Village heads • Farmer leaders • Civil society representatives from Land Management Committee (township & village level) • Religious leaders 	20-30 total <ul style="list-style-type: none"> • 8-12 CSO/CBO leaders • 8-16 community leaders • 5 youth leaders
Business leaders	<ul style="list-style-type: none"> • Local business leaders • Leaders of economic associations 	Up to 5 total
Ethnic leaders	<ul style="list-style-type: none"> • Political party leaders • Representatives of the political civilian wings of ethnic movements⁴ 	Up to 5 total

⁴ Not representatives of non-state armed groups.

Selection criteria for all participating leaders

1. Recognized as being an influential and respected leader.
2. Seen as highly motivated to work on behalf of their community. Having a reputation as an active 'problem solver' or a demonstrated ability to 'get things done' under difficult conditions.
3. Indicating expressed commitment to developing his/her leadership and negotiation skills (for at least the majority of the participants).
4. Demonstrating strong communication and analytical skills.
5. Willing to participate fully in the training cycle which includes participation in quarterly workshops, the application of skills learned, and post-training monitoring and evaluation.
6. Speaks the language of instruction (Myanmar).
7. Has completed the Expression of Interest form.
8. If government actor: Has permission to participate.

Methodology for selection

1. Conduct meetings with target groups to introduce the program and invite applications.
2. Identify approximately 100 candidates according to the specified quotas (double the expected number of each type of candidate). Candidates may be identified through self-selection, election by their group, or targeting by the INRM program team. Each candidate should fill out an Expression of Interest form. Candidates from the government must secure permission from their superior as part of the application process.
3. Interview approximately 75 candidates using the interview guide. After each interview, fill out the candidate grading sheet. Some candidates (e.g., high-level state government officials whose participation is critical) may be exempt from interviews.
4. A committee comprised of the Program Director, Program Manager, state-level Program Manager, and Technical Advisor will select 50 finalists out of the 75 candidates recommended by each state-level team. The selection will be made based on the information provided by the team and the candidates themselves.